

# **New Jersey Gross Income Tax Forgiveness**

## **General Information**

The information in this publication explains the New Jersey gross income tax relief provided for victims of the September 11 terrorist attacks. Governor James E. McGreevey signed this legislation into law on January 27, 2003 (P.L. 2003, c.9).

Generally, for tax years 2000 and 2001 New Jersey gross income tax will be forgiven on the income of decedents who died as a result of the September 11, 2001, terrorist attacks against the United States at the World Trade Center and the Pentagon, or who were killed when United Airlines Flight 93 crashed in Somerset County, Pennsylvania.

Only decedents with a New Jersey gross income tax liability for the qualified years are eligible for tax relief. Any gross income tax eligible for forgiveness that is owed but not paid will be forgiven and payment will be waived. Any tax eligible for forgiveness that is already paid will be refunded.

The New Jersey gross income tax relief provided under this law does not apply to any individual identified by the Attorney General of the United States to have been a participant or conspirator in the terrorist attacks.

The relief provided by New Jersey is similar, but not identical to, the Federal relief provided under the Federal Victims of Terrorism Tax Relief Act of 2001. For example, the State personal income tax relief does not contain a minimum benefit. Only decedents who incurred a New Jersey gross income tax liability for the qualified years are eligible for tax forgiveness.

## **Amount of Tax to Be Forgiven**

For those who died of wounds or injuries incurred as a result of the September 11, 2001, terrorist attacks, New Jersey gross income tax is forgiven for tax year 2000 and all later years up to and including the year of death. For most eligible decedents, the two tax years for which tax will be forgiven are 2000 and 2001.

The State of New Jersey will forgive the decedent's gross income tax liability for all years eligible for tax forgiveness. On a joint return, only the decedent's part of the joint gross income tax liability is eligible for forgiveness.

## **Request for Tax Forgiveness on Form NJ0911**

A claim for tax forgiveness must be submitted on Form NJ0911, Claim for Gross Income Tax Forgiveness for Victims of the September 11, 2001, Terrorist Attacks, and must include proof of death, IRS Form 1310 or a copy of a court certificate showing appointment as personal representative of the decedent. A Power of Attorney may also be needed. Certain claimants may also be required to submit New Jersey income tax returns for 2000 and 2001 with related enclosures, as specified in the instructions for Form NJ0911. The Division of Taxation will make

every effort to expedite claims for tax forgiveness, but may require additional information in order to properly process a claim.

Claims for tax forgiveness must be filed on behalf of a taxpayer within four years after the taxable year in which the taxpayer died. For example, if a calendar year taxpayer died on September 11, 2001, the claim for tax forgiveness must be filed on or before December 31, 2005.

## **Instructions for Form NJ0911**

Form NJ0911 contains two parts. Part I is to be completed for claims on behalf of decedents whose filing status was single; married, filing separate return; head of household; or qualifying widow(er). Part II is to be completed for claims on behalf of decedents whose filing status was married, filing joint return. The filing status for New Jersey gross income tax purposes must be the same as that used for Federal income tax purposes. See the instructions for Form NJ-1040 or Form NJ-1040NR for additional information on filing status.

### **PART I**

**Filing Status:**      **Single or  
Married, filing separate return or  
Head of Household or  
Qualifying Widow(er)**

#### **A. If a Return Has Been Filed...**

For decedents who already filed a return (or for whom a return has already been filed by a personal representative), a claim for tax forgiveness for the qualified year(s) must include the following items:

1. A completed Form NJ0911, with Part I filled in.
2. A copy of the victim's death certificate *or* the United States Department of Defense Form 1300, Report of Casualty.
3. A copy of a completed IRS Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, *or* a copy of the court certificate showing appointment as a personal representative. A personal representative is an executor or administrator of a decedent's estate, as certified or appointed by the court. A copy of the decedent's last will and testament cannot be accepted as evidence of appointment as a personal representative.

#### **B. If a Return Has NOT Been Filed...**

For decedents for whom return(s) have not been filed, a claim for tax forgiveness for the qualified year(s) must include the following items:

1. Form NJ-1040 (resident) or NJ-1040NR (nonresident) return(s), with all supporting documents and schedules (e.g., W-2s, 1099s, Federal Schedule Cs, New Jersey Schedule As, copies of tax returns filed with other jurisdictions), completed according to the instructions for the return and signed by the decedent's personal representative. **The return(s) will be filed with the State of New Jersey.**

2. A completed Form NJ0911, with Part I filled in.
3. A copy of the victim's death certificate *or* the United States Department of Defense Form 1300, Report of Casualty.
4. A copy of a completed IRS Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, *or* a copy of the court certificate showing appointment as a personal representative. A personal representative is an executor or administrator of a decedent's estate, as certified or appointed by the court. A copy of the decedent's last will and testament cannot be accepted as evidence of appointment as a personal representative.

## PART II

### Filing Status: Married, Filing Joint Return

#### A. If a Return Has Been Filed...

To determine the amount of tax forgiveness on Form NJ0911, the income and tax for the decedent and the surviving spouse must be calculated separately. For decedents who are already included on a return filed with their spouse, a claim for tax forgiveness for the qualified year(s) must include the following items:

1. Either:
  - (a) A completed *Worksheet for Residents Computing Income and Tax Separately* for each qualified year. Copies of all documents and schedules supporting the income, deductions, and credits reported on the worksheet (e.g., W-2s, 1099s, Federal Schedule Cs, New Jersey Schedule As, copies of tax returns filed with other jurisdictions) must be included. **NOTE:** Nonresidents cannot use this worksheet to compute the spouses' income and tax separately. Separate nonresident returns must be completed for the decedent and the surviving spouse. See below.
  - or*
  - (b) Separate return(s) (Form NJ-1040, resident, or Form NJ-1040NR, nonresident) for each qualified year for both the decedent and the surviving spouse, completed as if the filing status for each spouse was married, filing separate return. The returns must be completed according to the instructions for spouses filing separately, and each return must include copies of all documents and schedules supporting the income, deductions and credits reported on the return (e.g., W-2s, 1099s, Federal Schedule Cs, New Jersey Schedule As, copies of tax returns filed with other jurisdictions). The income on the separate returns should be allocated to the spouse who performed the service and received the W-2s, K-1s, or 1099s. Allocate exemptions and deductions equally between the spouses unless there is evidence that a different allocation is appropriate. **These returns are for computation purposes only and will not be filed with the State of New Jersey.**
2. A completed Form NJ0911, with Part II filled in.
3. A copy of the victim's death certificate *or* the United States Department of Defense Form 1300, Report of Casualty.
4. A copy of a completed IRS Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, *or* a copy of the court certificate showing appointment as a personal representative, **unless** a surviving spouse filed the joint return with the decedent. A personal

representative is an executor or administrator of a decedent's estate, as certified or appointed by the court. A copy of the decedent's last will and testament cannot be accepted as evidence of appointment as a personal representative.

**B. If a Return Has NOT Been Filed...**

To determine the amount of tax forgiveness on Form NJ0911, the income and tax for the decedent and the surviving spouse must be calculated separately. For decedents who would have been included on a return filed with their spouse, a claim for tax forgiveness for the qualified year(s) must include the following items:

1. Form NJ-1040 (resident) or NJ-1040NR (nonresident) return(s), with all supporting documents and schedules (e.g., W-2s, 1099s, Federal Schedule Cs, New Jersey Schedule As, copies of tax returns filed with other jurisdictions). The return(s) must be completed according to the instructions for spouses filing a joint return and signed by the surviving spouse or the decedent's personal representative. **The return(s) will be filed with the State of New Jersey.**
2. Either:
  - (a) A completed *Worksheet for Residents Computing Income and Tax Separately* for each qualified year. Copies of all documents and schedules supporting the income, deductions, and credits reported on the worksheet (e.g., W-2s, 1099s, Federal Schedule Cs, New Jersey Schedule As, copies of tax returns filed with other jurisdictions) must be included. **NOTE:** Nonresidents cannot use this worksheet to compute the spouses' income and tax separately. Separate nonresident returns must be completed for the decedent and the surviving spouse. See below.
  - or*
  - (b) Separate return(s) (Form NJ-1040, resident, or Form NJ-1040NR, nonresident) for each qualified year for both the decedent and the surviving spouse, completed as if the filing status for each spouse was married, filing separate return. The returns must be completed according to the instructions for spouses filing separately, and each return must include copies of all documents and schedules supporting the income, deductions and credits reported on the return (e.g., W-2s, 1099s, Federal Schedule Cs, New Jersey Schedule As, copies of tax returns filed with other jurisdictions). The income on the separate returns should be allocated to the spouse who performed the service and received the W-2s, K-1s, or 1099s. Allocate exemptions and deductions equally between the spouses unless there is evidence that a different allocation is appropriate. **These returns are for computation purposes only and will not be filed with the State of New Jersey.**
3. A completed Form NJ0911, with Part II filled in.
4. A copy of the victim's death certificate *or* the United States Department of Defense Form 1300, Report of Casualty.
5. A copy of a completed IRS Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, *or* a copy of the court certificate showing appointment as a personal representative, **unless** a surviving spouse filed the joint return with the decedent. A personal representative is an executor or administrator of a decedent's estate, as certified or appointed by the court. A copy of the decedent's last will and testament cannot be accepted as evidence of appointment as a personal representative.

## Special Rules if Both Spouses Died as a Result of the September 11, 2001, Terrorist Attacks

### A. If a Return Has Been Filed...

For eligible decedents who already filed a joint return (or for whom a joint return has already been filed by a personal representative), a claim for tax forgiveness for the qualified year(s) must include the following items:

1. A completed Form NJ0911, with **Part I** filled in.
2. A copy of the death certificate *or* the United States Department of Defense Form 1300, Report of Casualty, for each victim.
3. For each victim, a copy of a completed IRS Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, *or* a copy of the court certificate showing appointment as a personal representative. A personal representative is an executor or administrator of a decedent's estate, as certified or appointed by the court. A copy of the decedent's last will and testament cannot be accepted as evidence of appointment as a personal representative.

### B. If a Return Has NOT Been Filed...

For eligible decedents for whom joint return(s) have not been filed, a claim for tax forgiveness for the qualified year(s) must include the following items:

1. Joint resident (Form NJ-1040) or nonresident (NJ-1040NR) return(s), with all supporting documents and schedules (e.g., W-2s, 1099s, Federal Schedule Cs, New Jersey Schedule As, copies of tax returns filed with other jurisdictions) completed according to the instructions for the return and signed by the decedents' personal representative(s). **The return(s) will be filed with the State of New Jersey.**
2. A completed Form NJ0911, with **Part I** filled in.
3. A copy of the death certificate *or* the United States Department of Defense Form 1300, Report of Casualty, for each victim.
4. For each victim, a copy of a completed IRS Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer, *or* a copy of the court certificate showing appointment as a personal representative. A personal representative is an executor or administrator of a decedent's estate, as certified or appointed by the court. A copy of the decedent's last will and testament cannot be accepted as evidence of appointment as a personal representative.

## **Where to File Tax Forgiveness Claims**

Do not send claims for tax forgiveness to any of the addresses shown on the New Jersey income tax return forms or in the tax return instruction booklets. This will delay the processing of the claim. **Use one of the special addresses below when filing tax forgiveness claims.**

### **U. S. Postal Service**

If you use the U. S. Postal Service, send the tax forgiveness claim to:

New Jersey Gross Income Tax Forgiveness Unit  
Office of the Director  
New Jersey Division of Taxation  
PO Box 240  
Trenton, NJ 08695-0240

### **Private delivery services**

If you use a private delivery service (courier, delivery messenger, or express delivery service such as Federal Express or United Parcel Service), address the tax forgiveness claim to:

New Jersey Gross Income Tax Forgiveness Unit  
Office of the Director  
New Jersey Division of Taxation  
50 Barrack Street  
Trenton, NJ 08695-0240

### **Additional Information or Forms**

by Phone...

(609) 292-2163 – Speak directly to a Division of Taxation Representative for tax information and assistance, 9:00 a.m. to 4:00 p.m., Monday through Friday (except holidays).

on the World Wide Web...

Visit the New Jersey Division of Taxation Home Page at:

<http://www.state.nj.us/treasury/taxation/> for tax forms and instructions

or Email: [nj.taxation@treas.state.nj.us](mailto:nj.taxation@treas.state.nj.us) for assistance and questions

in Person...

Visit New Jersey Division of Taxation at: 50 Barrack Street  
Trenton, New Jersey 08695

9:00a.m. to 4:00p.m., Monday through Friday (except holidays)

by Fax...

(609) 292-5470 – New Jersey Gross Income Tax Forgiveness Unit